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May 16, 2006

WM. TIMOTHY ALLEN, III

Direct: 318.934.0217

Email: tallen@bwor.com

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

RE: HEARING APPLICATION
Unit Well at Exceptional Location
L HOSS RA SUE
West Simsboro Field
Lincoln Parish, Louisiana
Our File No.250219.6

Dear Sir:

On behalf of ENSIGHT III ENERGY MANAGEMENT, LLC, application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Lower Hosston Zone, Reservoir A, in the West Simsboro Field, Lincoln Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize a unit well for L HOSS RA SUE, at the location shown on the plat attached hereto, in exception to the well spacing provisions of Office of Conservation Order No. 327-F, effective December 18, 1991.
2. To explicitly find that the abovesaid unit well is necessary to drain a portion of the Lower Hosston Zone, Reservoir A, in the Simsboro Field underlying L HOSS RA SUE, which cannot be efficiently and economically drained by any existing well in such units.
3. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Lower Hosston Zone, Reservoir A, in the West Simsboro Field, Lincoln Parish, Louisiana, is fully defined in Office of Conservation Order No. 327-F, effective December 18, 1991.

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-

Commissioner of Conservation

May 16, 2006

Page 2

Application Notice requirements, are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, Chase Tower, 400 Texas Street, Shreveport, Louisiana 71163-1126. Any person wishing to inspect such data should call Wm. Timothy Allen III at (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

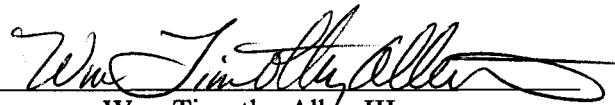
A check in the amount of \$755.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By:



Wm. Timothy Allen III

Attorneys for Ensign III Energy Management, LLC

WTAIII:kml

Enclosures

- cc: Mr. James C. Broussard, Shreveport
District Manager (w/enclosures)
- cc: Interested Owners, Represented Parties
and Interested Parties (w/copy of plat only)

Orders Pertaining to the
Lower Hosston Zone, Reservoir A

327-F December 18, 1991
327-1 February 11, 1992
327-F-1 July 1, 1992
327-F-2 July 13, 1999
327-F-3 December 7, 1999
327-F-4 March 28, 2006

Lower Hosston Zone, Res. A well spacing
1000' from Unit Lines, 2000' Between Wells

L HOSS RA SUN

L HOSS RA SUO

L HOSS RA SUA

L HOSS RA SUB

15
18N-5W

14

13

18N-4W

L HOSS RA SUF

22

L HOSS RA SUE

23

EnSIGHT III ENERGY
(BROYLES)
ATKINS 1

9,714

CAMCO OIL
1ST NATL BANK 1
8,002

COMSTOCK
(SONAT-BROYLES)
WILLAMETTE 1A
10,493

L HOSS RA SUG

27

L HOSS RA SUH

26

L HOSS RA SUD

24

WHELESS DRLG HUDSON
DOWLING WE U 2 1

8,850

BASS ENTP PROD
DOWLING WILLIE E 1
5,409

EnSIGHT III ENERGY
DURRETT 1

COMSTOCK
DURRETT #1
10,485

L HOSS RA SUI

25

EVERETT HOLLOWAY
DURRETT KENNETH 1
11,000

L HOSS RA SUC

OUIDA OIL CO
TINSLEY 2
6,904

WHELESS
DOWLING W
7,302

NADEL & GUSSMAN
(OUIDA OIL)
DURRETT, K. 1
9,970

L HOSS RA SUJ

LEGEND

Existing Lower Hosston Zone, Res. A Sand Units



Active Lower Hosston Zone,
Res. A Unit Well



Recently Approved Substitute
Unit Well at an Exception Location
(Order 327-F-4)



Inactive Lower Hosston Zone,
Res. A Unit Well



Active Lower Hosston Zone,
Res. A Unit Well
at an Exception Location



Active Alternate Unit Well
at an Exception Location



Proposed Substitute Unit Well
at an Exception Location
(L HOSS RA SUE)

Docket No. Date: Exhibit No. 1

EnSight III Energy Management, LLC

Shreveport, Louisiana

WEST SIMSBORO FIELD (8318)

LINCOLN PARISH, LOUISIANA

UNIT PLAT

Lower Hosston Zone, Reservoir A

Proposed Unit Well
at an Exception Location

Sec.23, T18N-R5W (L HOSS RA SUE)

0 2,000 4,000
FEET